

Headquarters
United States Army, Europe, and Seventh Army
Unit 29351
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*USAREUR Regulation 12-16

Security Assistance

Mutual Logistic Support Between the U.S. Army and Governments of Eligible Countries, NATO Subsidiary Bodies, and United Nations Organizations

For the Commander in Chief:

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and elements of DA commands deployed in the USAREUR area of responsibility.

Supplementation. Commanders will not supplement this regulation without Commander in Chief, USAREUR (AEAGF-IA), approval.

Forms. This regulation prescribes AE Form 12-16A-R (Standardization Agreement 3381, Annex B, NATO Standard Form for Request, Receipt, and Return or Invoice), AE Form 12-16B-R (Summary of International Replacement-in-Kind Transactions), and AE Form 12-16D-R (Standard NATO Invoice/Claim Form). Only -R forms may be reproduced locally on 8½- by 11-inch paper through the servicing forms management office. Other forms will not be reproduced; they will be ordered by the unit or organization publications officer from the United States Army Printing and Publications Center, Europe, or as stated in the prescribing directive.

Summary. This regulation establishes responsibilities, policy, and procedures for transactions between U.S. Army commands and governments of eligible countries, NATO subsidiary bodies, and United Nations organizations. Transactions include acquisitions and transfers of logistic support, supplies, and services. The Acquisition and Cross-Servicing Agreement statute (formerly the NATO Mutual Support Act of 1979) governs these transactions.

Applicability. This regulation applies to HQ USAREUR/7A staff offices, USAREUR commands (USAREUR Reg 10-5),

Suggested Improvements. The proponent of this regulation is the Office of the Deputy Chief of Staff, Resource Management, HQ USAREUR/7A (AEAGF-IA, 370-3179/6242). Users may send suggestions to improve this regulation on DA Form 2028 (Recommended Changes to Publications and Blank Forms) to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014.

Distribution. Distribute according to DA Form 12-88-E, block 0057, command level A.

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*This regulation supersedes USAREUR Regulation 12-16, 17 May 1990. It also rescinds AE Form 12-16C (Record of Receipt/Invoice for NATO STANAG Transactions), May 1990.

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SECTION I GENERAL

1. PURPOSE

This regulation—

a. Establishes procedures for requesting, negotiating, managing, and reporting Acquisition and Cross-Servicing Agreement (ACSA) implementing arrangements.

b. Applies to acquisitions and transfers (glossary) under USEUCOM-negotiated bilateral mutual support agreements, and direct acquisition of logistic support, supplies, and services from governments of eligible countries, NATO subsidiary bodies, and United Nations (UN) organizations using ACSA acquisition arrangements (instead of mutual support agreements or implementing arrangements to mutual support agreements).

c. Does not apply to logistic support, supplies, and services acquired by U.S. Army commands and activities from U.S. and foreign commercial sources. (This type of support will be obtained according to the Federal Acquisition Regulation and other DOD policy and procedures.)

2. REFERENCES

Appendix A lists references.

3. EXPLANATION OF ABBREVIATIONS AND TERMS

The glossary explains abbreviations and terms used in this regulation.

4. RESPONSIBILITIES

a. The Principal Assistant Responsible for Contracting (PARC), USAREUR, will—

(1) Develop and coordinate ACSA procurement policy.

(2) Provide procurement and negotiation guidance to the Deputy Chief of Staff, Resource Management (DCSRM), USAREUR, for acquisition and implementing arrangements involving reimbursable acquisitions valued at \$25,000 and over.

(3) Countersign acquisition and implementing arrangements for acquisitions valued at \$25,000 and over that obligate funds by themselves.

(4) Determine pricing provisions for implementing and acquisition arrangements for acquisitions valued at \$25,000 and over.

b. The Deputy Chief of Staff, Logistics, USAREUR, will—

(1) Coordinate priorities for the distribution of ACSA ceiling authorizations among requirements received from authorized commanders on approval by the appropriate HQ USAREUR/7A staff principals.

(2) Review requests for logistic support, supplies, and services from authorized commanders to determine desirability under the ACSA.

(3) Develop and coordinate procedures for transferring logistic support, supplies, and services.

c. The DCSRM, USAREUR, will—

(1) Distribute ACSA reimbursable authorizations that establish annual dollar limitations on ACSA transactions.

(2) Provide technical expertise on requests regarding the pricing of logistic support, supplies, and services (AR 37-60).

(3) Serve as the HQ USAREUR/7A staff proponent for ACSA policy, procedures, management, and oversight.

(4) Negotiate and conclude implementing and acquisition arrangements between U.S. Army commands and governments of eligible countries, NATO subsidiary bodies, and UN organizations.

(5) Coordinate acquisition arrangements and implementing arrangements with the PARC when negotiating agreements for reimbursable acquisitions.

(6) Coordinate functional reviews of requests for logistic support, supplies, and services under the ACSA with authorized commanders. The DCSRM will include an opinion on the feasibility of satisfying the requirement under the ACSA.

(7) Coordinate draft implementing and acquisition arrangements with the heads of HQ USAREUR/7A staff offices when the feasibility of acquisition or transfer under the ACSA has been determined.

(8) Request technical expertise from the head of the appropriate HQ USAREUR/7A staff office to develop, appraise, and negotiate pricing provisions when they are included in an implementing or acquisition arrangement.

(9) Assign six-character identification codes for ACSA implementing and acquisition arrangements (para 8c).

(10) Distribute, as necessary, copies of the ACSA mutual support agreements and implementing and acquisition arrangements to authorized commanders.

(11) Delegate authority to administer implementing and acquisition arrangements to appropriate authorized commanders.

(12) Comply with the reporting requirements of USEUCOM Directive 60-8 and AR 550-51 concerning international agreements.

(13) Compile annual lists of non-NATO ACSA implementing and acquisition arrangements by six-character identification code for inclusion in ACSA reports.

(14) Prepare and submit annual ACSA ceiling authorization requests for USAREUR and other U.S. Army commands.

(15) Monitor the allocation of the ACSA ceiling authorization by USAREUR and other U.S. Army commands.

(16) Compile and maintain a list of personnel designated by authorized commanders to place orders under implementing arrangements valued at under \$25,000.

d. The Judge Advocate (JA), USAREUR, will—

(1) Review implementing and acquisition arrangements for legality.

(2) Review requests for logistic support, supplies, and services to determine if the support falls under ACSA authority.

(3) Maintain a USAREUR repository for ACSA mutual support agreements and implementing and acquisition arrangements.

e. Heads of HQ USAREUR/7A staff offices with proponenty for logistic support, supplies, and services will—

(1) Review requests for logistic support, supplies, and services under ACSA from authorized commanders after coordination by the DCSRM.

(2) Evaluate requests for logistic support, supplies, and services under ACSA from authorized commanders and send recommendations to the DCSRM.

(3) Monitor the use of ACSA authority in their functional area of responsibility.

f. The Commander, Wiesbaden Regional Contracting Center (WRCC), will—

(1) Participate (as designated by the PARC) in negotiating acquisition and implementing arrangements for reimbursable acquisitions valued at \$25,000 and over.

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(2) Review, execute, and administer implementing and acquisition arrangements and ordering documents for reimbursable acquisitions valued at \$25,000 and over.

(3) Assist the PARC in developing and coordinating ACSA procurement policy.

(4) Compile quarterly and annual lists of non-NATO implementing and acquisition arrangements with a description of the logistic support, supplies, or services supplied.

5. BACKGROUND

a. The ACSA was enacted in 1979 to—

(1) Simplify exchanges of logistic support, supplies, and services between the United States and other NATO forces.

(2) Increase the readiness of the U.S. Armed Forces.

b. The ACSA was amended in 1986, 1992, and 1994 to permit—

(1) Acquisitions and cross-servicing agreements with the governments of eligible non-NATO countries.

(2) Equal-value exchanges (EVEs) of logistic support, supplies, and services.

(3) Acquisitions and cross-servicing agreements with UN organizations.

(4) The loan or lease of equipment.

c. The ACSA—

(1) Authorizes the acquisition and transfer of logistic support, supplies, and services to and from governments of eligible countries, NATO subsidiary bodies, and UN organizations under implementing arrangements to mutual support agreements.

(2) Authorizes the acquisition of logistic support, supplies, and services from governments of eligible countries, NATO subsidiary bodies, and UN organizations not covered by mutual support agreements.

(3) Establishes reciprocal pricing principles for logistic support, supplies, and services acquired from or transferred to governments of eligible countries. Foreign military sales (FMS) pricing is required for transfer to NATO subsidiary bodies and UN organizations.

(4) Establishes replacement-in-kind (RIK) and EVE as a possible means of liquidating credits and liabilities accrued from acquisitions and transfers.

(5) Prescribes total annual ceilings of \$150 million for the Army, Navy, and Air Force for reimbursable credits, and \$200 million for reimbursable liabilities. (These limitations do not apply during active hostilities.)

(6) Requires annual reports on the use of non-NATO ACSA transactions in the previous fiscal year, and on projected requirements for the next fiscal year.

6. GENERAL POLICY

a. This regulation adds to, but does not replace, authority given under other U.S. laws and Army regulations.

b. Commanders of Army commands and activities in Europe may not provide or make a commitment to provide support that will adversely affect the mission or readiness of the U.S. Army.

c. Reimbursable acquisitions and transfers made under this regulation must comply with annual DOD authorization and appropriation acts. Commanders may make reimbursable acquisitions under ACSA authority only when adequate funds are available. Army commands and activities in Europe are responsible for—

(1) Anticipating changing requirements for reimbursable support.

(2) Initiating the required planning, programming, and budgeting for such support (USAREUR Reg 1-5).

d. The DCSRM requests the U.S. Army share of the DOD ceiling on reimbursable transactions from the United States Commander in Chief, Europe (USCINCEUR). The ACSA ceiling authorization received from the USCINCEUR is redistributed annually (or more frequently, if required) to commanders of USAREUR commands (USAREUR Reg 10-5) and Army tenant units of USAREUR commands. The authorization is allocated based on established priorities. These commanders or their designated representatives must certify that adequate ACSA ceiling authority is available before conducting reimbursable transactions.

e. Commanders will arrange to replace stocks transferred under the ACSA on a reimbursable basis at the time the items are taken from stock (except when no further requirement exists for the stocks).

7. ACSA TRANSACTION LIMITATIONS

ACSA transactions are subject to the following limitations:

a. Commanders will not use—

(1) The governments of eligible countries, NATO subsidiary bodies, or UN organizations as the routine source of logistic support, supplies, and services when the required support, supplies, and services are reasonably available from U.S. commercial sources.

(2) Mutual support agreements or implementing and acquisition arrangements to acquire logistic support, supplies, and services not covered by the ACSA that would normally be acquired through commercial contract.

NOTE: These restrictions do not apply to acquisitions from NATO subsidiary bodies established by the NATO charter to provide logistic support, supplies, and services to two or more NATO forces on a cooperative basis (for example, the NATO Maintenance and Supply Agency).

b. Only the logistic support, supplies, and services categories listed in appendix B may be acquired or transferred. Transactions involving other logistic support, supplies, and services require written approval from HQ USAREUR/7A (AEAGF-IA).

c. The following items will not be acquired or transferred under ACSA authority:

- (1) Major items of organizational equipment.
- (2) Guided missiles.
- (3) Chemical and nuclear munitions.
- (4) Formal courses of instruction.
- (5) Distinctive military uniforms and insignia.
- (6) Major construction.
- (7) Guidance kits for bombs and other ammunition.

d. The ACSA does not authorize—

(1) The acquisition of logistic support, supplies, or services that are chargeable to an appropriation or fund for which the acquiring command is not authorized to incur obligations.

(2) The acquisition or transfer of initial quantities or repair parts connected with the initial order quantity of major end items of organizational equipment covered in tables of organization and equipment, tables of distribution and allowances, or similar documents.

e. Only logistic support, supplies, and services in the inventory or under the jurisdiction and control of U.S. Army elements deployed in Europe or adjacent waters may be transferred to governments of eligible countries, NATO subsidiary bodies, and UN organizations.

f. Governments of eligible countries, NATO subsidiary bodies, and UN organizations will not use the U.S. Army as the routine source of logistic support, supplies, and services when the required items and services are available from the U.S. Government through FMS procedures (AR 12-8) or are reasonably available from U.S. commercial sources.

g. U.S. Army element inventory levels will not be increased to fulfill transfer commitments made under mutual support agreements or implementing arrangements.

h. Restrictions in annual DOD authorization and appropriation acts apply to acquisitions made under this regulation.

8. MUTUAL SUPPORT AGREEMENTS, IMPLEMENTING ARRANGEMENTS, ORDERING DOCUMENTS, AND ACQUISITION ARRANGEMENTS

a. General. When possible, the acquisition and transfer of logistic support, supplies, and services under ACSA authority will be carried out under USAREUR implementing arrangements to a USEUCOM-negotiated mutual support agreement.

(1) If no applicable implementing arrangement exists, commanders will request negotiation of an implementing arrangement following procedures in paragraph 9.

(2) During a crisis or hostilities, orders may be placed directly under certain USEUCOM mutual support agreements using AE Form 12-16A-R (Standardization Agreement 3381, Annex B, NATO Standard Form for Request, Receipt and Return or Invoice). Appendix C explains AE Form 12-16A-R completion and distribution.

b. Implementing Arrangements. The U.S. Army implements each ACSA mutual support agreement through implementing arrangements negotiated and concluded by the DCSRM (in coordination with the PARC) when reimbursable acquisition of logistic support, supplies, and services is involved. Under these implementing arrangements, authorized commanders may agree to provide or acquire specific types of logistic support, supplies, and services to or from governments of eligible countries, NATO subsidiary bodies, or UN organizations. Liquidation may be by cash payment, RIK, or EVE for appropriate transactions. Implementing arrangements—

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(1) Must cite the ACSA as the authority.

(2) That obligate funds—

(a) May not obligate funds for more than the statutory authority.

(b) Must be signed by the PARC or a designated representative.

(3) That do not obligate funds—

(a) May be in effect for an indefinite period.

(b) Will contain a provision requiring a review of the arrangement at least every 5 years.

(4) That are established in peacetime and require continuation in time of war or emergency will include a statement of continuation. This statement will say that the peacetime logistic support, supplies, and services will continue to be provided, if possible, during active hostilities or emergencies. This support will be subject to national priorities and wartime demands.

c. Implementing-Arrangement Code. Each implementing arrangement will be identified individually by a unique six-character alphanumeric code. This code will be used on all orders, correspondence, documents, and reports pertaining to the implementing arrangement. The code is made as follows:

(1) The first two characters will be AR (for Army).

(2) The next two characters will be the two-letter abbreviation for the non-U.S. party (for example, BE for Belgium).

(3) The last two characters will be a numeric sequence number (for example, 01).

d. Ordering Documents. ACSA acquisition and transfer orders for logistic support, supplies, and services will be carried out using AE Form 12-16A-R. A different document may be used if it is identified in the applicable implementing or acquisition arrangement. If a different document is used, it must incorporate the categories from AE Form 12-16A-R.

e. Acquisition Arrangements.

(1) Authorized commanders may request the use of ACSA acquisition authority without a USEUCOM mutual support agreement. Requests will be sent to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014. The DCSRM will—

(a) Determine whether or not the authority is appropriate.

(b) Staff the request.

(c) Inform the requesting commander of the action being taken.

(d) Negotiate and conclude the acquisition arrangement with the PARC.

(2) The Commander, WRCC, will administer acquisition arrangements valued at \$25,000 and over. These acquisitions will meet the same requirements as other ACSA transactions and will be reported according to paragraphs 21 and 22 as part of the U.S. Army's use of ACSA authority.

SECTION II IMPLEMENTING ARRANGEMENTS AND ACQUISITION ARRANGEMENTS

9. REQUEST PROCEDURES

a. Authorized commanders who need to provide or acquire logistic support, supplies, and services to or from governments of eligible countries, NATO subsidiary bodies, or UN organizations will send requests to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014. The requests should reach HQ USAREUR/7A 3 to 9 months before required execution. This lead time is required to draft, staff, and negotiate the implementing arrangement.

b. These requests for logistic support, supplies, and services will include—

(1) The purpose, scope, and description of required logistic support, supplies, and services.

(2) The date the support is required and the duration.

(3) Identification of the other party.

(4) The name and telephone number of the requesting activity point of contact.

(5) A list of the specific logistic support, supplies, and services requirements to be acquired or transferred. This list will include the description, quantity, and (if known) cost of the supplies and services to be acquired or transferred.

(6) If known to the requester, a statement saying that the payment will be in cash, by RIK, by EVE, or by a combination of these methods.

(7) Appropriate related documents (for example, site maps, plans, standing operating procedures).

(8) A certification of fund availability for cash-reimbursable acquisitions.

(9) A statement that ACSA ceiling authorization is available to cover proposed cash-reimbursable acquisitions and transfers.

(10) A statement of determination that the desired logistic support, supplies, or services are not reasonably available from U.S. or host nation commercial sources, through normal military sales, or through other acquisition procedures.

10. ESTABLISHING NEED AND LEGALITY

The DCSRM will—

a. Send requests (para 9) to the head of the HQ USAREUR/7A staff office with primary responsibility for the area covered in the request. The head of the staff office will—

(1) Determine if the requested implementing arrangement is necessary and in the best interest of USAREUR.

(2) Concur or nonconcur with the request.

(3) Return the request to the DCSRM.

b. Send requests to the JA. The JA will determine if the request is legally obtainable under the ACSA.

c. Review the support requirements in requests for proposed cash-reimbursable acquisitions valued at \$25,000 and over by U.S. Army elements. Because these acquisitions require approval by a certified U.S. contracting officer, the DCSRM will coordinate the request with the PARC. A PARC representative will be included in the negotiations.

11. DRAFT PREPARATION

a. After a request is approved (para 10), the DCSRM will prepare a draft implementing arrangement. The draft will be based on information provided by the requesting U.S. Army organization and the HQ USAREUR/7A staff.

b. As a minimum, the draft implementing arrangement will include—

(1) A description of the requirements.

(2) The names of the USAREUR billing offices. For cash-reimbursable transfers—

(a) The fiscal-station number will be cited in the accounting classification for implementing arrangements that obligate funds.

(b) The complete names and military and civilian addresses (including office symbols) of the servicing finance and accounting offices (FAOs) that will send invoices to the receiving country or organization will be included.

(3) The names of the USAREUR paying offices. For cash-reimbursable acquisitions—

(a) The fiscal-station number will be cited in the accounting classification for implementing arrangements that obligate funds.

(b) The complete names and military and civilian addresses (including office symbols) of the servicing FAOs that will receive, verify, and pay invoices from the providing country or organization will be included.

(4) The name of the other-party billing office. For cash-reimbursable acquisitions, this will include the complete address of the other party that will send invoices to the servicing FAO for payment.

(5) The name of the other-party paying office. For cash-reimbursable transfers, this will include the complete address of the party to which the USAREUR billing office will send invoices.

(6) The payment by the other party. Check payment will be made to the finance and accounting officer. The servicing FAO will be cited on the check.

(7) The billing period. A statement will be included saying that payment will be made at least monthly.

(8) The compensation conditions. A statement will be included saying that cash-reimbursable transactions will be paid in the currency of the supplying country.

(9) The statement, "The USAREUR obligation under this implementing arrangement is subject to fund availability under U.S. law," if one of the following applies:

(a) The required ACSA support, exercise, maneuver, or project begins in the next fiscal year.

(b) The implementing arrangement will extend for more than 1 year.

(10) Instructions for both parties on how to complete the signatory requirements on AE Form 12-16A-R to do the following:

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(a) Place the order for logistic support, supplies, and services.

(b) Verify performance completion (for example, delivery and receipt).

(11) A statement that logistic support, supplies, and services will not be transferred to a third party without written authority from the supplying party.

(12) The assignment of an ACSA identification code.

(13) For peacetime implementing arrangements that require continuation during war or emergency, a statement that the applicable logistic support, supplies, and services will continue to be provided, if possible, during active hostilities or emergencies. This support will be subject to national priorities and the demands of war.

12. COORDINATION OF DRAFT

The DCSRM will—

a. Coordinate the draft implementing arrangement and supporting documents with the appropriate authorized commanders.

b. Negotiate and conclude the implementing arrangement. When acquisition of logistic support, supplies, and services valued at \$25,000 and over is involved, a representative of the PARC will participate in negotiating the implementing arrangement.

c. Comply with the distribution requirements of AR 550-51.

d. Distribute signed copies of the implementing arrangement to the JA and to authorized commanders involved in executing the implementing arrangement.

e. Request an authorized commander or the Commander, WRCC, to administer the arrangement.

(1) For cash-reimbursable acquisitions, delegation of authority to authorized commanders is limited to acquisitions valued at under \$25,000.

(2) The Commander, WRCC, will execute and administer cash-reimbursable acquisitions valued at \$25,000 and over.

13. ADMINISTRATION

Commanders tasked to administer implementing arrangements will—

a. Distribute copies of the arrangement to—

(1) Activities authorized to acquire or transfer logistic support, supplies, and services.

(2) The servicing resource management office (RMO) that provided certification of fund availability and the ACSA ceiling authorization for costs.

(3) The servicing FAO.

b. Ensure ordering activities have an adequate supply of AE Forms 12-16A-R.

c. Provide dollar estimates for proposed cash-reimbursable acquisitions and transfers for the next fiscal year. These estimates will be sent to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014, by 30 April if the arrangement will be in effect beyond the current fiscal year.

d. Consolidate and report the dollar value of RIK and EVE transactions conducted with Allied Governments, NATO subsidiary bodies, and UN organizations during the fiscal year. Paragraphs 21 and 22 explains reporting requirements.

e. Establish procedures in writing for delegating authority through company level to personnel authorized to accept and initiate transactions. A copy of this delegation will be sent to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014.

(1) Personnel authorized to conduct transactions will read and be familiar with this regulation, the terms of the implementing arrangement under which a transaction is to be conducted, and the proper completion of AE Form 12-16A-R.

(2) Delegation of authority is limited to cash-reimbursable transactions valued at under \$25,000. The Commander, WRCC, will execute cash-reimbursable transactions valued at \$25,000 and over.

f. Administer the implementing arrangement according to the arrangement tasking.

(1) When an implementing arrangement is concluded for the use of a single U.S. Army command or activity, the commander will be tasked to administer the arrangement.

(2) When an implementing arrangement is concluded for the use of several U.S. Army commands or activities, the arrangement will be administered by each commander who conducts transactions under it.

(3) Administering commanders will assume the same responsibilities as those outlined in a through e above.

(4) Each using command will develop internal procedures, as necessary, to ensure compliance with the provisions of this regulation.

g. Certify fund availability for cash-reimbursable acquisitions before signing the ordering document.

h. Maintain a repository of concluded mutual support agreements, implementing arrangements, and acquisition arrangements under which subordinate elements are authorized to conduct transactions.

i. Ensure that the ACSA ceiling authority is certified for each cash-reimbursable acquisition and transfer transaction.

j. Ensure that adequate stocks are available from current inventory levels to meet USAREUR requirements before accepting orders for transfer of logistic support, supplies, and services.

k. Ensure that documentation for each transaction is properly completed and distributed, according to appendix C, to provide property and financial accountability.

l. Ensure records and reports of RIK and EVE transactions are prepared and submitted according to paragraphs 14, 21, and 22.

m. Ensure proper pricing procedures are followed according to paragraph 15.

n. Coordinate implementing arrangement actions with the supporting resource management officer and finance and accounting officer to ensure compliance with the fiscal provisions of this regulation.

14. RIK AND EVE TRANSACTIONS

a. Transaction Payment. Transactions conducted under an implementing arrangement may be paid for by RIK or EVE.

(1) RIK. This transaction is the exchange of items that are identical or substantially identical in nature.

(a) The authority for RIK must be contained in the governing implementing arrangement and agreed on by both parties before the transaction.

(b) Both parties must agree on the replacement date. Replacement must be within 1 year of the initial transaction. The replacement date will be entered in block 19 of the AE Form 12-16A-R.

(2) EVE. This transaction is for exchange of logistic support, supplies, or services defined in monetary terms. EVE transactions use the actual or estimated prices in effect at the time the transaction is approved.

(a) The receiving party will pay the supplying party by transferring logistic support, supplies, or services to the supplying party.

(b) The transfer must be equal in value to the logistic support, supplies, or services delivered or performed by the supplying party.

(c) The supplying party must be satisfied with the transfer.

b. Replacement of Logistic Support, Supplies, and Services. Before conducting an RIK or EVE transaction, the authorized commander must determine that the receiving party can and will provide a replacement that is identical, substantially identical, or equal in value to the logistic support, supplies, and services provided. The replacement must be of similar quality and have the same form, fit, and function as the support provided. Support provided and received does not have to be of equal price but should be of equal value.

c. Value Limitations. If an RIK or EVE transaction takes place within the replacement schedule (which may not be more than 1 year), the transaction is not subject to the annual ceiling prescribed by Congress for DOD cash-reimbursable ACSA transactions. There is no annual dollar limitation on the value of logistic support, supplies, and services that can be provided or received through RIK or EVE.

d. AE Form 12-16A-R. Commanders authorized to conduct RIK and EVE transactions will use AE Form 12-16A-R. Appendix C explains form completion and distribution.

e. Defaulted Transactions. If a transaction initially conducted as an RIK or EVE is not completed according to the replacement schedule agreed on by both parties, the supplying party will change the transaction to a cash-reimbursable transaction. The responsible commander will prepare and sign a cover memorandum explaining the circumstances of the defaulted transaction. This memorandum will accompany the transaction documentation.

(1) For an acquisition, the authorized commander will send three copies of the AE Form 12-16A-R through the supporting RMO to the supporting FAO. The commander will include instructions on how to pay the other party.

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(2) For a transfer, the authorized commander will send instructions to bill the appropriate receiver of the support with AE Form 12-16A-R.

(3) The cost will be the replacement cost of materiel or services as of the date replacement was due.

f. Pricing of Logistic Support, Supplies, and Services.

When the U.S. Army provides logistic support, supplies, and services through RIK or EVE, a price will be entered in block 29 of the AE Form 12-16A-R when the support is provided. If an item or service does not have an established DOD price, a price or rate will be estimated based on a similar item or service and experience (para 15).

g. Recording RIK and EVE Transactions. The commander executing the RIK or EVE transaction will record it on AE Form 12-16B-R (Summary of International Replacement-in-Kind Transactions). This form summarizes each issue to and receipt from the other party.

(1) A separate AE Form 12-16B-R will be maintained for each implementing arrangement used during the fiscal year.

(2) Entries on this form are expressed in terms of the dollar value of the logistic support, supplies, and services provided and received.

h. Annual Reports. Commanders responsible for administering implementing arrangements will submit a consolidated annual report of RIK and EVE transactions conducted by subordinate elements under each applicable implementing arrangement according to paragraphs 21 and 22.

i. Document Files. The commander executing RIK and EVE transactions will maintain documents supporting the transactions in a chronological suspense file until replacement has been completed. After replacement, transaction documents will be kept as required by property-accountability or records-retention regulations, or for 1 year, whichever is longer.

15. PRICE DETERMINATION AND ANALYSIS

a. General.

(1) Before an ACSA transaction takes place, whether on a cash-reimbursable, RIK, or EVE basis, a price must be determined for the logistic support, supplies, and services involved.

(a) The price of logistic support, supplies, and services acquired by the U.S. Army must be found to be fair and reasonable.

(b) The prices for the logistic support, supplies, and services must be entered on source documents that identify authorized dollar amounts to be recorded in financial and property accountability records.

(2) The ACSA authorizes two methods for pricing logistic support, supplies, and services: reciprocal and non-reciprocal. The pricing method is established in the implementing arrangement. Commanders with questions about which pricing method is contained in an implementing arrangement should contact the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014.

b. Reciprocal Pricing. When a U.S. Army commander provides logistic support, supplies, and services under an implementing arrangement that specifies reciprocal pricing, the commander will charge the same prices as charged to other DOD components for the same logistic support, supplies, and services.

(1) AR 37-60, chapter 3 and table D-1, provide guidance on reciprocal pricing. For supplies in the U.S. Army inventory, the price in the Army Master Data File will be charged.

(2) A U.S. Army commander who questions the accuracy of prices charged by governments of eligible countries under reciprocal pricing may send applicable details to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014.

c. Nonreciprocal Pricing.

(1) When a U.S. Army commander—

(a) Provides logistic support, supplies, and services under an implementing agreement that specifies non-reciprocal pricing, prices will be determined according to FMS pricing procedures in AR 37-60, chapter 4. Additional assistance may be requested from the Commander, 266th Finance Command, ATTN: AEUPC-PA, Unit 29001, APO AE 09007.

(b) Acquires logistic support, supplies, and services under an implementing arrangement that specifies non-reciprocal pricing, a determination that the quoted price is fair and reasonable must be made before the transaction takes place. Commanders may request assistance in making this determination from the supporting USAREUR contracting office.

(2) Transactions with NATO subsidiary bodies or UN organizations must be priced using the nonreciprocal pricing method (DOD Directive 2010.9).

d. Waiving Costs. Indirect costs (including charges for plant and production equipment), administrative surcharges, and contract administration costs may be waived reciprocally in arrangements that provide for reciprocal or nonreciprocal pricing. This determination must be in the governing implementing arrangement.

e. Price Determination and Analysis for RIK Transactions. A price will be estimated for RIK transactions and entered on the AE Form 12-16A-R at the time the transaction is conducted. This price will be a general estimate of the price to be billed if the RIK transaction converts to a cash-reimbursable transaction. In these cases, the actual price will be determined at the time the transaction is converted to a cash-reimbursable transaction. The U.S. Army party will use the estimated price to prepare the annual report of RIK transactions required in paragraphs 21 and 22.

SECTION III FINANCIAL POLICY AND PROCEDURES

16. FINANCIAL POLICY

a. Documents sent to the RMO or FAO to support billings or payments must contain the implementing or acquisition arrangement identification code.

b. The U.S. Army activity that receives or provides support is responsible for documentation.

c. During the fiscal year, total liabilities accrued (obligations) and total credits accrued (earned reimbursement) will not exceed available ceiling authorizations.

(1) Total liabilities resulting from the cash-reimbursable acquisition of supplies other than petroleum, oils, and lubricants will not exceed the designated subceiling.

(2) Liabilities and credits will be computed without reduction for cash-reimbursable accounts receivable or reimbursable accounts payable.

(3) Cash-reimbursable acquisitions and transfers will not be made unless the U.S. Army activity making the transaction has adequate cash-reimbursable acquisition and transfer ceiling authorization.

(4) The dollar ceilings do not apply during active hostilities or to RIK and EVE transactions, except when the transaction converts to a cash-reimbursable transaction.

d. Payment for materiel or services provided by the U.S. Army that is initially recorded as a sales transaction will be

credited to the appropriation or fund available for the same purposes for which the expenditures were made. This is done regardless of whether the payment is received in the fiscal year of the sale or the following fiscal year.

e. Payment for a transaction initially recorded as an RIK or EVE transaction but converted to a reimbursable transaction (because of nonreceipt of replacement materials or services) will be credited to the appropriation or fund available for the same purposes for which the expenditures were made. This is done regardless of whether the payment is received in the fiscal year of the sale or the following fiscal year.

f. Compensation for acquisitions and transfers will be by payment in the currency of the supplying nation, by RIK, or by EVE.

g. Liabilities and credits will be liquidated at least once every month.

(1) Bills will be accompanied by necessary supporting documents and paid within 30 days of the date prepared.

(2) RIK and EVE transactions will be settled through the issue or receipt, as applicable, of replacement or exchange of supplies or services according to the replacement schedule. Time limits established in the replacement schedule will not be over 1 year. If replacement is not made in 1 year, the transaction will be converted to a cash-reimbursable transaction, and the accounts receivable or payable will be liquidated as described above.

h. Defense Base Operating Fund (DBOF) issues, except for bulk subsistence, will first be charged to the providing commander of the USAREUR organization or DA command, who in turn will obtain reimbursement.

(1) Collection from the other party will be credited to the appropriation of the USAREUR organization or DA command that incurred the DBOF charge.

(2) Purchases from another party will not be carried in the DBOF inventory. These purchases will be charged directly to the USAREUR organization or DA command.

i. Supplies issued to another country, NATO subsidiary body, or UN organization from an Operation and Maintenance, Army (OMA)-funded inventory will not be processed through the Resource Management/Expense Reporting System for obligation and billing purposes.

USAREUR Reg 12-16

j. Purchases from another country, NATO subsidiary body, or UN organization will not be carried in the OMA-funded inventory. These purchases will be charged directly to the USAREUR organization or DA command.

17. REIMBURSABLE PROCEDURES FOR RESOURCE MANAGEMENT OFFICERS

Responsible officials at the RMO, with the supporting budget agency, will—

a. Delegate authority for the certification of appropriated funds and ACSA ceiling authorization involving cash-reimbursable acquisitions and transfers under this regulation.

b. Coordinate procedures to control obligations, automatic reimbursable orders received, fund availability certification, implementing or acquisition arrangements, and AE Forms 12-16A-R that affect RMO and FAO operations.

c. Coordinate with the supporting FAO to ensure that new accounting processing codes (APCs) and customer numbers are assigned for ACSA implementing or acquisition arrangements before the performing USAREUR activity executes an ACSA transaction.

d. Maintain an ACSA ceiling authorization based on USAREUR guidance.

e. Ensure contractual requirements on AE Form 12-16A-R (blocks 10 and 18) have been completed following procedures in appendix C.

f. Process obligations and automatic reimbursable orders received and send them to the FAO.

g. Provide the complete accounting classification, including the ACSA APC, to activities conducting transactions under an implementing arrangement.

h. Maintain data for RIK and EVE transactions that have defaulted to cash-reimbursable acquisitions or transfers and determine their effect on current or future fiscal year appropriations.

i. Review Standard Financial System (STANFINS) reports to ensure that the ceiling authority for cash-reimbursable acquisitions and transfers has not been exceeded.

18. PROCEDURES FOR U.S. ARMY COMMANDERS CONDUCTING ACSA REIMBURSABLE TRANSACTIONS

The authorized U.S. Army commander will—

a. Comply with the provisions of appendix C.

b. Obtain the ACSA ceiling authority from the RMO or budget agency and give the RMO or budget agency the names of personnel designated to place orders valued at less than \$25,000.

c. On receipt of a concluded implementing arrangement involving cash-reimbursable transactions, send copies of the arrangement to the supporting RMO and FAO.

d. Provide completed copies of the AE Form 12-16A-R to the supporting RMO and FAO after a transaction is complete. Appendix C, paragraph C-3, prescribes distribution instructions.

19. PROCEDURES FOR FINANCE AND ACCOUNTING OFFICERS IN PROCESSING CASH-REIMBURSABLE ACQUISITIONS AND TRANSFERS

The finance and accounting officer will—

a. When the DCSRM completes an implementing arrangement, send one copy to the chief, accounting branch, and one copy to the chief, commercial accounts office, for their reference.

b. When the DCSRM completes an acquisition arrangement, send one copy to the chief, accounting branch, to support the obligation for cash-reimbursable acquisitions, and one copy to the chief, commercial accounts office, to support the commercial voucher payment.

c. Ensure that APC master files and appropriation reimbursement customer files have been updated in coordination with the applicable budget agency or RMO.

d. Receive copies of AE Form 12-16A-R from the performing activity receiving or delivering logistic support, supplies, and services. Depending on the type of transaction (cash-reimbursable acquisition or transfer), the form becomes a contractual document when blocks 10 and 18 are jointly signed.

(1) When block 20 is signed by a U.S. Army representative for cash-reimbursable acquisitions, the form becomes the U.S. Army receiving report.

(2) When block 35 is signed by a U.S. Army representative for cash-reimbursable transfers, the form becomes a U.S. Army delivery report.

(3) Finance and accounting officers will send two copies of the form to the accounting branch (to support the accrued expenditure or earned reimbursement) and one copy to the commercial accounts office (to support a commercial voucher payment).

e. Match and attach the applicable AE Form 12-16A-R showing earned reimbursement to the monthly STANFINS billing form (SF Form 1080 (Voucher for Transfers Between Appropriations and/or Funds)).

f. Prepare three copies of AE Form 12-16D-R (Standard NATO Invoice/Claim Form) and attach the original and one copy to the SF Form 1080 and AE Form 12-16A-R.

g. File one complete set of AE Form 12-16D-R, SF Form 1080, and AE Form 12-16A-R until the outstanding account receivable has been liquidated completely. File copies will be reproduced as necessary during followups on delinquent accounts receivable.

h. Ensure copies of AE Form 12-16A-R are distributed to appropriate FAO sections to support the obligation, orders received, accrued expenditures, earned reimbursement, payment to the government of an eligible country, NATO subsidiary body, or UN organization, and invoicing to the government of an eligible country, NATO subsidiary body, or UN organization.

i. Prepare invoices to the government of an eligible country, NATO subsidiary body, or UN organization.

20. PROCEDURES FOR REQUESTING ACSA CEILING AUTHORIZATION FOR CASH-REIMBURSABLE ACQUISITIONS AND TRANSFERS

The process for requesting ACSA cash-reimbursable acquisition and transfer ceiling authorization is as follows:

a. The DCSRM will notify authorized commanders by 1 April of the requirement to submit requests for ACSA dollar authorizations for the next fiscal year. Requests must also be submitted for anticipated RIK and EVE transactions.

b. Appropriate authorized commanders will send requests for ACSA authorizations to the Commander in Chief, USAREUR, ATTN: AEAGF-IA, Unit 29351, APO AE 09014, by 30 April.

c. The DCSRM will combine the requests and establish a list of requirements in order of priority with the heads of HQ USAREUR/7A staff offices. Requests will be sent to the USCINCEUR, ATTN: ECJ4, Unit 30400, APO AE 09128, by 1 June each year.

d. The DCSRM will receive acquisition and transfer authorizations from the USCINCEUR before 1 October. The DCSRM will distribute acquisition and transfer authorizations based on the established priorities. When the USEUCOM-approved authorization is less than the amount requested by USAREUR, the DCSRM, with the heads of HQ USAREUR/7A staff offices, will develop a revised priority list for the available authorization.

e. The DCSRM will distribute ACSA authorizations to USAREUR budget agencies and tenant organizations, as appropriate, based on separate messages or memorandums.

SECTION IV REQUIRED REPORTS

21. ANNUAL REPORTING REQUIREMENTS

Reports required under the ACSA are limited to transactions with Allied Governments, NATO subsidiary bodies, and UN organizations. Appendix D prescribes the report format.

22. CONSOLIDATED ANNUAL REPORTS

a. Annual Report of Tasked Commanders. Each commander tasked to administer an implementing arrangement will submit a consolidated annual report of the transactions conducted by subordinate elements with Allied Governments, NATO subsidiary bodies, and UN organizations under each implementing arrangement.

(1) A separate AE Form 12-16B-R will be prepared for each implementing arrangement used during the fiscal year. Information required to complete this report will be consolidated from the AE Forms 12-16B-R.

(2) Reports will be sent to the Commander, 266th Finance Command, ATTN: Chief, Theater Accounts Office, Unit 29001, APO AE 09007. Reports must arrive by 20 October.

b. Consolidated USAREUR Annual Report. The Chief, Theater Accounts Office, 266th Finance Command, will prepare and submit the annual consolidated ACSA report of transactions with Allied Governments, NATO subsidiary bodies, and UN organizations. The required information will be obtained from the following sources:

USAREUR Reg 12-16

(1) Each 266th Finance Command FAO will prepare an annual report of cash-reimbursable transactions with Allied Governments, NATO subsidiary bodies, or UN organizations.

(a) The FAO will use the ACSA six-character identification code (para 8c) for implementing arrangements and acquisition arrangements.

(b) Reports will be sent to the Commander, 266th Finance Command, ATTN: Chief, Theater Accounts Office, Unit 29001, APO AE 09007. Reports must arrive by 20 October.

(2) The Commander, WRCC, will provide a description, name of the government of the eligible country, NATO subsidiary body, or UN organization, and identification code of each arrangement executed during the most recent fiscal year.

(a) Arrangements that will continue into the next fiscal year will be annotated.

(b) The Commander, WRCC, will send this information to the Commander, 266th Finance Command, ATTN: Chief, Theater Accounts Office, Unit 29001, APO AE 09007. Reports must arrive by 20 October.

APPENDIX A REFERENCES

NATO Standardization Agreement 3381, NATO Standard Procedures for Compensation and Form for Request and Receipt of Support in the Form of Supplies and Services

Public Law 96-323, The NATO Mutual Support Act of 1979, as amended

Federal Acquisition Regulation

DOD 2010.9-D, Mutual Logistic Support Between the United States and Governments of Other NATO Countries and NATO Subsidiary Bodies

DOD 2010.1-I, Support of International Military Activities

DOD 2010.10-I, Mutual Logistic Support Among the United States, Governments of Other NATO Countries, NATO Subsidiary Bodies, and Other Eligible Foreign Countries—Financial Policy

USEUCOM Directive 60-8, Mutual Logistics Support Between the United States and Other NATO Forces

Defense Finance and Accounting Service—Indianapolis Center (DFAS-IN) Regulation 37-1, Finance and Accounting Policy Implementation

DFAS-IN Regulation 37-100, Account/Code Structure

AR 11-2, Management Control

AR 12-8, Security Assistance - Operations and Procedures

AR 12-16, Mutual Logistics Support Between the United States Army and Governments of Eligible Countries

AR 37-60, Pricing for Materiel and Services

AR 40-3, Medical, Dental, and Veterinary Care

AR 40-330, Rates Codes, Expense and Performance Reporting Systems, Centralized Billing, and Medical Services Accounts

AR 550-51, Authority and Responsibility for Negotiating, Concluding, Forwarding, and Depositing of International Agreements

AR 600-38, Meal Card Management System

AR 710-2, Inventory Management Supply Policy Below the Wholesale Level

AR 725-50, Requisition, Receipt, and Issue System

AR 735-5, Policies and Procedures for Property Accountability

DA Pamphlet 710-2-1, Using Unit Supply System (Manual Procedures)

Standard Finance System (STANFINS) Manual

USAREUR Regulation 1-3, International Agreements and Third-Party Agreements

USAREUR Regulation 1-5, Planning, Programming, Budgeting, and Execution System

USAREUR Pamphlet 715-4, Manual for Ordering and Receiving Officers

**APPENDIX B
LOGISTIC SUPPORT, SUPPLIES, AND SERVICES**

The following are categories and examples of logistic support, supplies, and services that are authorized for trans-actions under ACSA.

1. Subsistence

- a. Allied-nation meals for U.S. troops passing through the lines of communication.
- b. Meals for allied-nation troops from adjacent formations during exercises, and vice versa.
- c. Acquisition or transfer of rations.

2. Billeting

- a. Allied-nation billeting of U.S. troops passing through the lines of communication.
- b. Temporary shelter for allied-nation or U.S. units.
- c. Bath services for allied-nation and U.S. troops.

3. Transportation

- a. Transportation of personnel and equipment through the lines of communication and to the forward combat zone.
- b. Transportation of one nation's petroleum products in another nation's tankers.
- c. Temporary use of transportation during training exercises.

4. Petroleum, Oils, and Lubricants

- a. Refueling of ground vehicles of another force while temporarily in the territory of the host.
- b. Refueling of aircraft of another force while temporarily on the base of the host.
- c. Replacement-in-kind fuel agreements.
- d. Emergency fuel assistance.

5. Clothing. Cold-weather items (for example, gloves, thermal underwear, socks) provided on an emergency basis during adjacent formations of U.S. and allied-nation units.

NOTE: This category does not include provision of distinctive items of military uniform and insignia.

6. Medical Services

- a. Providing or receiving health-care services during exercises or joint-training programs.
- b. Emergency provision of medical supplies.
- c. Use of another nation's medical facilities during exercises or in case of mass casualties.

7. Communications

- a. Field-radio operator support.
- b. Use of base or installation communications facilities and equipment.

8. Ammunition

- a. Transfer of small-arms ammunition between forces on exercises.
- b. Replacement-in-kind of ammunition expended at allied-nation ranges.
- c. Exchange-unit firing to determine ammunition compatibility and suitability for use in different weapon systems.
- d. Emergency acquisition or provision of ammunition items listed in DOD Directive 5160.65, paragraph IV.

NOTE: This category does not include nuclear munitions, chemical munitions (other than riot control), or missiles.

9. Base Operations Support and Construction Services

- a. Allied-nation support of U.S. installations.
- b. Facilities maintenance and groundskeeping incidental to perimeter security.
- c. Laundry services.
- d. Minor construction related to allied-nation support agreements.

NOTE: This category does not include Military Construction, Army-funded projects.

10. Storage Services

a. Use of allied-nation storage, maintenance, and security services.

b. Temporary storage of another force's assets during training exercises.

11. Facilities. Temporary use of—

a. A building during an exercise.

b. Mortuary facilities.

c. Other allied-nation facilities.

NOTE: This category does not include facilities provided free of charge by allied nations under Status of Forces agreements.

12. Training Services

a. Use of training ranges.

b. Orientation visits between NATO combat units.

c. Training of U.S. and Allied Forces in aircraft and cross-servicing of vehicles.

d. Use of flight simulators.

e. Target services.

NOTE: This category does not include costs for attendance at formal schools.

13. Spare Parts and Components

a. Mutual spare-parts support.

b. Replacement of defective components in aircraft, vehicles, or other end items.

14. Port Services

a. Offloading U.S. equipment at allied-nation ports of embarkation.

b. Temporary storage of offloaded equipment.

c. Minor vehicle maintenance (for example, battery recharging, jump-starting).

15. Repair and Maintenance

a. Servicing of one force's aircraft and vehicles that are temporarily at another force's base.

b. Multilateral support agreements for weapons systems in the inventories of more than one NATO nation.

c. Vehicle recovery and emergency repair during exercises.

APPENDIX C
AE FORM 12-16A-R COMPLETION AND
DISTRIBUTION

C-1. GENERAL

Commanders authorized to conduct Acquisition and Cross-Servicing Agreement (ACSA) transactions will document transactions with AE Form 12-16A-R (Standardization Agreement 3381, Annex B, NATO Standard Form for Request, Receipt, and Return or Invoice). The form must be filled out accurately and legibly. The information on the form is vital for financial and property accountability, and to control U.S. Army resources.

NOTE: If a different document is used, it must be authorized in the governing implementing or acquisition arrangement and must contain all elements of information found on AE Form 12-16A-R.

a. When documenting a transaction under an implementing arrangement, the AE Form 12-16A-R fulfills the following functions:

(1) Property Accountability. AE Form 12-16A-R will be used to document each ACSA transaction. When properly signed, AE Form 12-16A-R shows the change in ownership of supplies or liability of services to the receiving party. AE Form 12-16A-R is the delivery report to the party providing logistic support, supplies, and services, and a receiving report to the party receiving logistic support, supplies, and services. A copy must be maintained for internal property accountability and to verify replacement-in-kind (RIK) and equal-value exchange (EVE) transactions.

(2) Obligation and Automatic Orders-Received Accountability. A copy of AE Form 12-16A-R is the contractual or ordering instrument to support an obligation or reimbursable order received under the Army's automatic-reimbursable program. Under this condition, the person who authorizes the cash-reimbursable acquisition or transfer or who signs the form will—

(a) Ensure that a person with fund-certification authority has certified the fund availability for cash-reimbursable acquisitions.

(b) Ensure the ACSA ceiling authorization is obtained from the supporting resource management office (RMO).

(c) Ensure proper pricing methods have been followed according to the basic regulation, paragraph 15.

(d) Ensure the complete accounting classification (including the accounting processing code and fiscal station number) is recorded on the AE Form 12-16A-R.

(e) Ensure the address in block 33 is complete and legible.

(3) Performance Accountability.

(a) When logistic support, supplies, and services are acquired, the AE Form 12-16A-R (signed by an authorized U.S. Army representative) will be used to record or support accrued expenditures in the official accounting records. AE Form 12-16A-R also will be used to support a commercial-voucher payment to the eligible country, NATO subsidiary body, or United Nations (UN) organization.

(b) When logistic support, supplies, and services are transferred, the AE Form 12-16A-R (signed by an authorized U.S. Army representative) will be used to record earned reimbursements in the official accounting records. The AE Form 12-16A-R also will be used to substantiate a U.S. Army billing to an eligible country, NATO subsidiary body, or UN organization.

(4) Commercial-Voucher Accountability. When blocks 10 and 18 are properly signed, the AE Form 12-16A-R will be the contractual instrument and receiving report from an Army activity.

b. When documenting a transaction under an implementing arrangement that obligates funds, the AE Form 12-16A-R fulfills the following functions:

(1) Obligation and Automatic Orders-Received Accountability. Obligation and automatic-reimbursable orders received are recorded based on certified cost data from the implementing arrangement and not from the AE Form 12-16A-R.

(2) Performance Accountability. Same as a(3) above.

(3) Commercial-Voucher Accountability. Because the implementing arrangement contains cost data and represents the contractual instrument, the AE Form 12-16A-R will be the receiving report.

c. When documenting an acquisition arrangement, the AE Form 12-16A-R fulfills the following functions:

(1) **Property Accountability.** Same as a(1) above.

(2) **Performance Accountability.** Same as a(3)(a) above.

C-2. PROCEDURES

Procedures for completing AE Form 12-16A-R are on the back of the form.

C-3. DISTRIBUTION

After the AE Form 12-16A-R has been completed, it will be distributed as follows:

a. RIK and EVE Transactions.

(1) The authorized commander will maintain at least one copy of the AE Form 12-16A-R for property accountability and for developing required ACSA reports.

(2) If a U.S. Army acquisition conducted through RIK or EVE defaults to a cash-reimbursable acquisition, the authorized commander will send three copies of the form through the supporting RMO to the supporting finance and accounting office (FAO). The RMO will—

(a) Keep one copy for updating the resource-control ledger.

(b) Send a copy to the FAO accounting branch (to record the obligation) and to the FAO commercial accounts office (for payment-voucher processing).

(3) If a U.S. Army transfer conducted through RIK or EVE defaults to a cash-reimbursable transfer, the U.S. Army commander will send three copies of the AE Form 12-16A-R through the supporting RMO to the supporting FAO. The RMO will keep one copy for updating the resource-control ledger, and send two copies to the FAO accounting branch. This will permit recording of cash-reimbursable orders received and earned-cash reimbursements in the accounting records, and supports the FAO invoice to the NATO organization.

b. U.S. Cash-Reimbursable Acquisitions.

(1) The U.S. Army commander will keep at least one copy of the AE Form 12-16A-R for property accountability.

(2) The AE Form 12-16A-R will be the document that supports the obligation. Two copies of the form (with blocks 10 and 18 signed) will be sent to the servicing RMO using a transmittal memorandum.

(a) The RMO will keep one copy (for resource-control-ledger processing) and send one copy to the supporting FAO to record the obligation.

(b) When block 20 is completed on the original copy of the form, the U.S. Army activity will send a copy to the servicing FAO accounting branch and to the FAO commercial accounts office using FAO transmittal procedures.

(c) The form will be used for updating accrual expenditures and processing the payment voucher.

c. U.S. Cash-Reimbursable Transfers.

(1) The authorized commander will keep at least one copy of the AE Form 12-16A-R for property accountability.

(2) The AE Form 12-16A-R is the document that supports the transfer. Two copies of the form (with blocks 10 and 18 signed) will be sent to the servicing RMO using a transmittal memorandum.

(a) The RMO will keep one copy (for resource-control-ledger processing) and send one copy to the supporting FAO to support the reimbursable-order-received entry in the Standard Financial System.

(b) When block 35 (and 20, if possible) is completed on the original copy of the form, the U.S. Army activity will send two copies to the servicing FAO accounting branch to record cash-reimbursement earned and substantiate the FAO invoice.

APPENDIX D

*ACSA TRANSACTION REPORT FORMAT

SECTION 38, TITLE 10, UNITED STATES CODE
TRANSACTIONS, REIMBURSABLE PURCHASES, AND SALES

RCS DD-COMP (A) 1570

(Mutual Logistic Support Between the United States and other NATO Forces)

DOD component:

Fiscal Year:

Acquisition or implementing
arrangement number:

Applicable pricing procedures¹: (in thousands)

Appropriation
or Fund Account

Dollar Value² of
Purchases
(Acquisitions)

Dollar Value of
Sales
(Transfers)

NOTES: 1. Enter reciprocal or nonreciprocal, depending on the terms of the agreement.

2. Identify the dollar value of—

a. Purchases by supplies other than petroleum, oils, and lubricants (POL).

b. All purchases including POL.

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GLOSSARY

EXPLANATION OF ABBREVIATIONS AND TERMS

SECTION I

ABBREVIATIONS

ACSA	Acquisition and Cross-Servicing Agreement
AE	Army in Europe
APC	accounting processing code
AR	Army regulation
BE	Belgium
DA	Department of the Army
DBOF	Defense Base Operating Fund
DCSRM	Deputy Chief of Staff, Resource Management, USAREUR
DOD	Department of Defense
EVE	equal-value exchange
FAO	finance and accounting office
FMS	foreign military sales
FY	fiscal year
HQ USAREUR/7A	Headquarters, United States Army, Europe, and Seventh Army
JA	Judge Advocate, USAREUR
NATO	North Atlantic Treaty Organization
OMA	Operation and Maintenance, Army
PARC	Principal Assistant Responsible for Contracting, USAREUR
POL	petroleum, oils, and lubricants
RCS	requirement control symbol
RIK	replacement-in-kind
RMO	resource management office
SF	standard form
STANFINS	Standard Financial System
UN	United Nations
U.S.	United States
USAREUR	United States Army, Europe
USCINCEUR	United States Commander in Chief, Europe
USEUCOM	United States European Command
WRCC	Wiesbaden Regional Contracting Center

SECTION II

TERMS

acquisition

The actions of U.S. Army elements in purchasing, renting, leasing, or otherwise obtaining logistic support, supplies, and services from an eligible country, NATO subsidiary body, or United Nations organization.

acquisition arrangement

A means of obtaining logistic support, supplies, and services directly from an eligible country, NATO subsidiary body, or

United Nations organization without using a mutual support agreement or an implementing arrangement to a mutual support agreement.

authorized commanders

Commanders of USAREUR commands (USAREUR Reg 10-5), heads of HQ USAREUR/7A staff offices, and commanders of other DA commands in USEUCOM.

cash-reimbursable transaction

Payment for supplies and services in the currency of the supplying nation.

conclusion

The act of signing, initialing, responding, or otherwise indicating acceptance of a binding support agreement, implementing arrangement, or acquisition arrangement.

eligible countries

The military and nonmilitary governmental organizations, departments, ministries, and subdivisions of a country designated by the Secretary of Defense as eligible to enter into Acquisition and Cross-Servicing Agreement arrangements with the U.S. Army.

equal-value exchange (EVE)

The exchange of logistic support, supplies, or services defined in monetary terms using actual or estimated prices in effect at the time a transaction is approved. Support provided and received does not have to be of equal price but should be of equal value.

governments of NATO countries

The military and nonmilitary governmental organizations, departments, ministries, and subdivisions of a NATO country.

implementing arrangement

An arrangement that specifies the details of logistic support, supplies, and services to be rendered or received, applicable financial requirements, and the activities authorized to accept and receive orders. These arrangements are subject to the negotiating, concluding, and reporting requirements of AR 550-51.

logistic support, supplies, and services

Food; billeting; transportation; petroleum, oils, and lubricants; clothing; communication services; medical services; ammunition; base-operations support and construction related to these items (not including Major Construction, Army); storage services; use of facilities; training services; spare parts and components; repair and maintenance services; and airport and seaport services.

USAREUR Reg 12-16

mutual support agreement

An agreement negotiated by the United States Commander in Chief, Europe, with a representative of a government of an eligible country, NATO subsidiary body, or United Nations organization under which the United States agrees to provide logistic support, supplies, and services in return for the provision of logistic support, supplies, and services to the U.S. Army. These agreements establish principles and provisions for obtaining required support, but do not bind either party to a particular number or monetary value of transactions.

NATO Countries and NATO Subsidiary Bodies

a. Any organization within the meaning of the term "subsidiary bodies" in article I of the multinational agreement on the status of the North Atlantic Treaty Organization, National Representatives and International Staff, signed at Ottawa on 29 September 1951.

b. Any international military headquarters or organization to which the Protocol on the Status of International Military Headquarters Set Up Pursuant to the North Atlantic Treaty, signed at Paris on 28 August 1952, applies.

negotiation

The communication or acceptance of a position or an offer on behalf of the U.S. Government to an agent or representative of another party in such detail that would result in a support agreement or implementing arrangement. The term also includes any such communication conditioned on later approval by higher authority. It does not include preliminary

discussions or routine meetings conducted on the understanding that the views communicated will not be binding on any side.

reciprocal pricing

The principle for price determination under which the same prices are charged by the supplying government as it charges its own armed forces for identical logistic support, supplies, or services.

reimbursable acquisition and transfer authority

Annual authorizations permitting cash-reimbursable acquisitions and transfers in specified total dollar amounts according to support agreements or implementing arrangements.

replacement-in-kind transaction

The trading of supplies or services in return for supplies or services of an identical or substantially identical nature within specified time constraints.

substantially identical nature

For replacement-in-kind transactions, supplies or services that are of similar quality and are generally the same in material respects. Services may not be exchanged for supplies or vice versa. Supplies may not be exchanged for other supplies that are not of the same form, fit, and function (for example, meals may not be exchanged for transportation).

transfers

The actions of U.S. Army elements while selling (for example, payment in currency or replacement-in-kind), renting, leasing, or otherwise providing logistic support, supplies, or services.